

# COMMITTEE PRINT

## Showing the Text of H. R. 2886

As Approved by the Subcommittee on Government Efficiency and  
Financial Management

On September 24, 2003

1   **SECTION 1. SHORT TITLE.**

2           This Act may be cited as the “Department of Home-  
3   land Security Financial Accountability Act”.

4   **SEC. 2. CHIEF FINANCIAL OFFICER OF THE DEPARTMENT**  
5                           **OF HOMELAND SECURITY.**

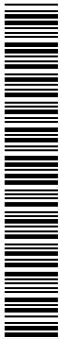
6           (a) IN GENERAL.—Section 901(b)(1) of title 31,  
7   United States Code, is amended—

8                   (1) by redesignating subparagraphs (G)  
9           through (P) as subparagraphs (H) through (Q), re-  
10          spectively; and

11                  (2) by inserting after subparagraph (F) the fol-  
12          lowing:

13                   “(G) The Department of Homeland Security.”.

14          (b) APPOINTMENT OR DESIGNATION OF CFO.—The  
15   President shall appoint or designate a Chief Financial Of-  
16   ficer of the Department of Homeland Security under the  
17   amendment made by subsection (a) by not later than 180  
18   days after the date of the enactment of this Act.



1 (c) CONTINUED SERVICE OF CURRENT OFFICIAL.—  
2 The individual serving as Chief Financial Officer of the  
3 Department of Homeland Security immediately before the  
4 enactment of this Act may continue to serve in that posi-  
5 tion until the date of the confirmation or designation, as  
6 applicable (under section 901(a)(1)(B) of title 31, United  
7 States Code), of a successor under the amendment made  
8 by subsection (a).

9 (d) CONFORMING AMENDMENTS.—

10 (1) HOMELAND SECURITY ACT OF 2002.—The  
11 Homeland Security Act of 2002 (Public Law 107–  
12 296) is amended—

13 (A) in section 103 (6 U.S.C. 113)—

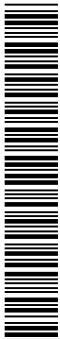
14 (i) in subsection (d) by striking para-  
15 graph (4), and redesignating paragraph  
16 (5) as paragraph (4);

17 (ii) by redesignating subsection (e) as  
18 subsection (f); and

19 (iii) by inserting after subsection (d)  
20 the following:

21 “(e) CHIEF FINANCIAL OFFICER.—There shall be in  
22 the Department a Chief Financial Officer, as provided in  
23 chapter 9 of title 31, United States Code.”; and

24 (B) in section 702 (6 U.S.C. 342) by strik-  
25 ing “shall report” and all that follows through



1 the period and inserting “shall perform func-  
2 tions as specified in chapter 9 of title 31,  
3 United States Code.”.

4 (2) FEMA.—Section 901(b)(2) of title 31,  
5 United States Code, is amended by striking subpara-  
6 graph (B), and by redesignating subparagraphs (D)  
7 through (H) in order as subparagraphs (C) through  
8 (G).

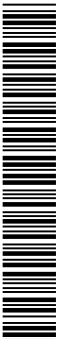
9 **SEC. 3. FUNCTIONS OF CHIEF FINANCIAL OFFICER OF THE**  
10 **DEPARTMENT OF HOMELAND SECURITY.**

11 (a) PERFORMANCE AND ACCOUNTABILITY RE-  
12 PORTS.—Section 3516 of title 31, United States Code, is  
13 amended by adding at the end the following:

14 “(f) The Secretary of Homeland Security—  
15 “(1) shall for each fiscal year submit a per-  
16 formance and accountability report under subsection  
17 (a) that incorporates the program performance re-  
18 port under section 1116 of this title for the Depart-  
19 ment of Homeland Security; and

20 “(2) shall include in each performance and ac-  
21 countability report an audit opinion of the Depart-  
22 ment’s internal controls over its financial report-  
23 ing.”.

24 (b) IMPLEMENTATION OF AUDIT OPINION REQUIRE-  
25 MENT.—The Secretary of Homeland Security shall include

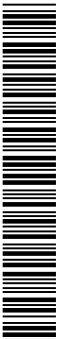


1 audit opinions in performance and accountability reports  
2 under section 3516(f) of title 31, United States Code, as  
3 amended by subsection (a), only for fiscal years after fiscal  
4 year 2004.

5 (c) ASSERTION OF INTERNAL CONTROLS.—The Sec-  
6 retary of Homeland Security shall include in the perform-  
7 ance and accountability report for fiscal year 2004 sub-  
8 mitted by the Secretary under section 3516(f) of title 31,  
9 United States Code, an assertion of the internal controls  
10 that apply to financial reporting by the Department of  
11 Homeland Security.

12 (d) AUDIT OPINIONS OF INTERNAL CONTROLS OVER  
13 FINANCIAL REPORTING BY CHIEF FINANCIAL OFFICER  
14 AGENCIES.—

15 (1) IN GENERAL.—Not later than 180 days  
16 after the date of the enactment of this Act, the  
17 Chief Financial Officers Council and the President's  
18 Council on Integrity and Efficiency established by  
19 Executive Order 12805 of May 11, 1992, shall joint-  
20 ly conduct a study of the potential costs and benefits  
21 of requiring the agencies listed in section 901(b) of  
22 title 31, United States Code, to obtain audit opin-  
23 ions of their internal controls over their financial re-  
24 porting.



1           (2) REPORT.—Upon completion of the study  
2           under paragraph (1), the Chief Financial Officers  
3           Council and the President's Council on Integrity and  
4           Efficiency shall promptly submit a report on the re-  
5           sults of the study to the Committee on Government  
6           Reform of the House of Representatives, the Com-  
7           mittee on Governmental Affairs of the Senate, and  
8           the Comptroller General of the United States.

9           (3) GENERAL ACCOUNTING OFFICE ANAL-  
10          YSIS.—Not later than 90 days after receiving the re-  
11          port under paragraph (2), the Comptroller General  
12          shall perform an analysis of the information pro-  
13          vided in the report and report the findings of the  
14          analysis to the committees referred to in paragraph  
15          (2).

16 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

17          There are authorized to be appropriated to the Sec-  
18          retary of Homeland Security such sums as are necessary  
19          to carry out this Act.

